

No. 11468—Ex. E. 3-1901, dated 10th January 1902.

Under Section 29 of the Excise Regulation, V of 1901, and in exercise of all other powers enabling them in this behalf, the Government of Mysore are pleased to frame the following rules in supersession of all existing rules relating to the cultivation, sale, etc., of Ganja:—

1. For the purposes of these rules, the hemp plant shall be taken to be that generally known as the *Cannabis Sativa* of Linn, and what is termed *Ganja* in Hindustani *Ganja*, in Kanarese *Bhangi soppu*, in Tamil *Ganja yule*, and in Telugu *Bhangi aku*. But as there are several varieties of the Indian hemp, each and every such variety shall be taken to be included in, and as falling under, these rules. (The description of ganja and its preparations is given in Appendix A.)

2. The following rules shall regulate and restrict—

- (1) the cultivation of the ganja hemp plant;
- (2) the export of ganja;
- (3) the grant of the exclusive privilege of the wholesale vend of ganja and any preparation thereof except halvā;
- (4) the import of ganja; and
- (5) supply of ganja to licensed wholesale and retail vendors.

3. No person shall cultivate ganja hemp in the territories of Mysore without a patta in the Form B hereto appended, which can be obtained free from the Amildar of the taluk in which such cultivation is permitted by the Excise Commissioner. The cultivation of ganja hemp will be restricted to a limited number of suitable tracts.

4. Applications for land for the cultivation of ganja hemp shall state whether it is intended to raise the plant for ganja or for fibre. These applications shall be made to the Amildar of the taluk, who after satisfying himself as to the respectability of the applicants, shall submit the same to the Deputy Commissioner, by whom, if no objection exists, they shall be granted with the previous sanction of the Excise Commissioner.

5. Excise officers shall watch the progress of the crop raised, and explain to the cultivators how and when ganja should be prepared; and they shall also guard against the fraudulent disposal of the drug by the cultivator. As soon as the drug has been manufactured, the packages or bundles thereof shall be duly sealed, counted and registered in a book kept for the purpose by the Excise Assistant Inspector concerned under the signatures of himself, village officials and the cultivator. Such bundles or packages shall then be forthwith removed by the cultivator under escort of the Excise Assistant Inspector and his subordinates to the Provincial Head-quarters Depôt or the Taluk Cutcherry whichever may be nearer to the place of manufacture. The bundles or packages shall then be locked up in a room under the seal of the Excise Inspector or the Amildar or Taluk Sheristadar as the case may be, an acknowledgment for the same being given to the cultivator by the officer receiving the said bundles or packages.

6. The cultivator of ganja shall not sell the drug stored in the Provincial Head-quarters Depôt or in the Taluk Cutcherry to any person other than the Government contractor to whom the exclusive privilege of the wholesale vend of the drug has been granted.

Provided that by payment of duty to the Civil and Military Station, Bangalore, at the rates prescribed in Mysore, the contractor for the wholesale vend of ganja in the Civil and Military Station, Bangalore, may be permitted to purchase the drug from the cultivator and transport the same duty free to his Wholesale Depôt in the Civil and Military Station, Bangalore.

7. Before the Government contractor buys the aforesaid drug from the cultivator, a sample thereof shall be sent to the Provincial Head-quarters Depôt at Bangalore, where it shall be duly tested and reported upon; and if it is approved by the Excise Commissioner, the Government contractor will be permitted to buy it and transport it to the Provincial Head-quarters Depôt, or any Wholesale Depôt, under the cover of a pass in the appended Form C. All ganja which is unfit for human consumption, shall be burnt in the presence of the Amildar or Excise Inspector concerned and the owner thereof.

8. The village officials shall be primarily responsible that no clandestine cultivation of ganja is carried on in their respective villages. When such cultivation is discovered, they shall give immediate information thereof to the Excise officers for necessary action.

9. Land-holders and owners of backyards shall prevent the spontaneous growth of ganja hemp in their lands. If, after the due publication of this rule, ganja hemp be found in such lands, the owners or occupants thereof shall be liable to be prosecuted as if they deliberately raised the plants.

10. The village officials and Excise and Police officers shall destroy the ganja hemp plants of spontaneous growth in Government unoccupied lands.

Prevention of spontaneous growth of Ganja hemp plant.

Export of Ganja.

11. No cultivator of ganja will be permitted to export the drug.

12. The exclusive privilege of the wholesale vend of ganja and any preparation thereof except halva, shall be disposed of from time to time in such manner and for such fixed period as the Government may direct and appoint in that behalf.

Disposal of the monopoly of wholesale vend.

13. The person to whom the privilege may be granted, shall exercise the same in strict accordance with the Excise law for the time being in force and rules thereunder passed by Government from time to time, and subject specially to the following conditions:—

i. The contract shall not be transferable without the previous sanction of the Excise Commissioner, subject to the approval of the Mysore Government.

ii. For the purposes of this contract, Government may decline to recognize any representative, agent or partner appointed or taken by the contractors during the period of the contract, unless such representative, agent or partner shall have been first approved of by the Excise Commissioner for the time being.

iii. (a) The minimum amount guaranteed shall be payable to Government in 12 equal monthly instalments on or before the 20th of each month.

(b) The contractor shall pay into the Taluk Treasuries of the State or into the Bangalore District Treasury the duty due on the wholesale vend of ganja and preparations thereof at the rates prescribed by Government and mentioned in condition VIII following. If the total amount of duty paid by him on the wholesale vend of ganja and its preparations at the rates abovementioned, be not sufficient in any month to make up the instalment of the guaranteed amount for that month, the contractor shall pay such further amount as may be required to make up the deficiency. On the other hand, if the said amount of duty exceed the said instalment, the excess shall be available to make up the deficiency in any other month of the same official year, this deficiency being adjusted by short payment into the Treasury when the khist for the month is tendered, to the extent of such net excess sales as may be available when such khist fell due. If the sum available is at any time more than sufficient to make up the deficiency to which it has been applied, the surplus thus accruing shall be paid into the Bangalore District Treasury with the instalment of the month in which such surplus was realised.

(c) In case of default in the payment of any of the instalments as aforesaid up to the 15th of the month following that for which it is due, interest at 6 per cent per annum shall be payable in addition; and with the sanction of Government, it shall be lawful for the Excise Commissioner to declare the deposit forfeited, to order the contract to be taken under Government management, or to declare the lease forfeited and to dispose of it otherwise at the contractor's risk and loss, and further to recover all arrears together with the loss of revenue entailed on Government by such disposal, by the attachment and sale of his property, personal or real, including cash at Wholesale Depôts, in accordance with the rules relating to the recovery of arrears of land revenue.

iv. The Excise Commissioner or Deputy Commissioner of each district, shall be at liberty on good and valid grounds existing therefor, to make any alterations in the number and localities of the shops that he may from time to time consider necessary, or to close any shop without any claims for compensation on the part of the contractor.

v. The contractor shall sell ganja and its preparations only to licensed vendors, and shall not interfere with retail vendors in any way.

vi. The ganja and majum and other preparations thereof sold, shall be of good quality, not black or old, or such as may have lost medicinal virtues, and must be without stalks and seeds which should be removed before issue to retail vendors, or equivalent weight of good ganja given for such stalks and seeds when returned by retail vendors, and must not be adulterated. Powdered ganja to the extent of 5 per cent only shall be taken by the vendor's. Such powdered ganja may be made up by the retail vendors into halva. The contractor shall always keep on hand not less than one month's supply of ganja at each Wholesale Depôt and two months' stock (exclusive of the stock at depôts) at the Provincial Head-quarters Depôt at the Bangalore Distillery.

vii. All ganja and its preparations transferred from one Wholesale Depôt to another Wholesale Depôt, shall be covered by a transport pass in the prescribed Form D; and the conditions of such pass shall not be infringed; and the number and date thereon shall be duly quoted in the depôt account against the entry of receipts in the depôt registers. Those sold at the depôt to retail vendors, shall be covered by a permit in the prescribed Form I, signed by the contractor or his authorized agent, the conditions whereof shall not be infringed.

vi. The duty inclusive of local cess on the wholesale vend, payable to Government, and rates of prices for the wholesale and retail vend of ganja and majum, per seer of 80 tolas, are fixed as specified below for the whole Province:—

	Rates of duty payable to Govt. on wholesale vend.			Wholesale price.	Retail minimum price.	
	Rs.	a.	p.	Rs.	a.	p.
Ganja per seer of 80 tolas ..	3	0	0	4	4	0
Majum or any other preparation of ganja (except halva) per seer of 80 tolas ..	0	9	0	1	1	0
				5	0	6
				1	10	8

ix. The Deputy Commissioner shall have power to close any particular shop or shops, on the requisition of the Military authorities or Magistracy, temporarily or permanently, and the contractor shall not be entitled to any compensation therefor. But with the approval of the Excise Commissioner, the number so reduced might, if the public requirements demand it, be re-established in other adjacent towns or villages.

x. The prescribed rates of license fees for retail shops are as per particulars given below:—

		Rate of fee per month.
1st class shops with an income of Rs. 29 and more per mensem	..	Rs. a. p.
2nd do	Rs. 20 and below Rs. 29 per mensem	5 0 0
3rd do	Rs. 10 and below Rs. 20 do	2 0 0
4th do	less than Rs. 10 do	Nil.

In places where there is a likelihood of *bona fide* competition, each license will be sold by public auction; and the fee payable for it will be determined by the result of such sale, instead of levying the fixed fee according to the above scale. The amount for which the license is purchased, shall be paid into the Taluk Treasury on the chellan J i hereto appended, as laid down in the form of sale notice "J" hereto appended.

xi. The Excise Commissioner in Mysore may permit the contractor to import ganja from beyond the territories of Mysore under "Import Passes" to be issued by him in communication with the authorities of the district from which the article is to be imported, and such drugs, with the passes granted, shall be duly brought to book first at the Provincial Head quarters Depôt at the Bangalore Government Central Distillery, ere it is utilized or transferred to the Wholesale Depôts. To obviate complications in accounts, the stock of drugs sent to one district shall, as far as possible, be sold in that district.

xii. The contractor shall keep at the Head-quarters Depôt at the Bangalore Distillery, and render a true and correct account of all cash transactions and of ganja cultivated and drugs manufactured and brought and sold at the Wholesale Depôts, to the Excise Commissioner monthly, and allow the officers of the Excise Department free access always to all the accounts kept by the contractor, which shall be true and accurate, and in the prescribed forms. And for the purposes of this contract, the contractor shall open an account showing in detail the prime cost of the drug, cost of carriage by cart and rail, other charges, if any, and total cost of drugs per maund. The number and date of transport or import passes shall be quoted, and each item duly vouchered for with original receipts, etc., duly numbered. The cost of establishment, contingencies, etc., shall also be given monthly *in detail*. A copy of this account shall be furnished to the Excise Commissioner monthly, and the original accounts with vouchers shall be kept at the Provincial Head-quarters Depôt at the Bangalore Distillery.

xiii. Disorderly conduct and irregular transactions at the Wholesale Depôts shall not be permitted by the contractor's agents or employés. The Wholesale Depôts shall be provided, at the contractor's cost with correct scales and weights, duly stamped by Government; and further, all such employés shall, 15 days after the agreement is signed by the contractor, enter into engagements with the contractor to abide by the spirit and letter of the conditions entered into by the contractor with Government, and of the laws and rules in force, and such engagements shall be deposited for each district in the Deputy Commissioner's office without delay. Such employés shall take out wholesale licenses if employed to sell the drugs, and sign permits for the contractor. With the permission of the Government arrack carriage contractor, all mutsaddis in charge of Bonded Depôts, and with the consent of the arrack vend renters, all mutsaddis in charge of Farm Depôts, may be employed as wholesale vendors of ganja and its preparations, and paid such commission on the sales as shall be fixed by the Excise Commissioner, not exceeding 3 annas and 4 pies per seer of 80 tolas sold by them. All ganja and majum or any other preparation of ganja (except halva) remaining on hand at the close of the contract at the Head-quarters Depôt and all Wholesale Depôts, if of good quality and fit for use, shall be taken over by the in-coming contractor at an average rate of price struck on the rate entered in the accounts kept by the out-going contractor, on the value of the drugs so transferred. Similarly the in-coming contractor shall take over all scales and weights at the Head-quarters and other depôts, if correct and in good order, at a valuation to be fixed by the Excise Commissioner. The out-going contractor shall be liable similarly to make over, on the determination of his contract, the unsold stock in hand and scales and weights to his successor in the lease.

14. The contractor shall conform to the rules now in force, or any additional rules which may be prescribed from time to time by the Government.

15. The contractor shall be at liberty to raise his own ganja on applying for and obtaining a Government patta to be granted by the Amildar, the conditions whereof shall be strictly adhered to, or to purchase it from raiyats permitted to raise it.

16. For any infringement of the above conditions, the contractor shall be liable to a fine not exceeding Rs. 500 to be levied at the discretion of the Excise Commissioner, and to the forfeiture of the contract, with the approval of Government, if deemed necessary, and to such further penalties as are prescribed by the laws in force for breaches thereof or of the rules framed by Government.

17. Every application by the contractor of the wholesale vend of ganja to import ganja into Mysore, shall be made to the Excise Commissioner.

Thereupon a pass in the appended Form E shall issue in duplicate. The original pass together with the duplicate shall be signed and sealed by the Excise Commissioner in Mysore, and shall be sent to the Collector or other officer in His Majesty's Territory, who will be requested to fill in the required particulars, and seal, countersign and return the original to this office, and hand over the duplicate to the importer to be transmitted with the drugs into Mysore. Stock shall be taken on arrival of the consignment in Mysore, the contents of the pass checked and brought to book in the Provincial Head-quarters Depôt, by the officer in charge; and the original pass shall be received with the hour and date of arrival noted thereon and returned by the Excise Commissioner to the officer in the Territory whence the drug was imported.

18. The drug imported shall be considered to be in bond till disposed of as hereinafter specified.

19. The license to be granted to the wholesale vendors of ganja shall be in the appended Form F: Wholesale License.

20. The license to be granted to the retail vendors of ganja shall be in the appended Form G: Retail License.

21. The following rules shall regulate the supply of ganja to licensed wholesale and retail vendors:—

(1) Supplies of drugs from the Provincial Head-quarters Depôt at the Central Distillery, Bangalore, shall be obtained by licensed wholesale vendors on written applications made through the Government contractor. All such applications shall be embodied in printed forms to be supplied by the Government contractor, and sent to the Inspector in charge of the Provincial Head-quarters Depôt, where they will be retained, after compliance, for record and reference.

(2) The drugs transmitted from the Provincial Head-quarters Depôt to licensed wholesale vendors shall be covered by a pass in Form H.

Drugs transported to be covered by Passes.

(3) All retail license-holders shall purchase drugs from the wholesale depôts, and not from elsewhere under any pretext whatever, and all such purchases by retail vendors where and how to be made.

22. Accounts to be kept in wholesale and retail shops, and statistics to be furnished by the wholesale vendors and Excise officers to the Excise Commissioner, shall be in such forms as may be prescribed by the Excise Commissioner.

23. The Executive officers and other members of the Excise Department, wholesale and retail vendors of ganja, and cultivators and manufacturers of ganja and any preparations thereof shall conform to such rules of practice as may, from time to time, be issued by the Excise Commissioner, not inconsistent with the provisions of the Excise Regulation and these Rules.

24. The Notice to be issued for the sale of Retail shops shall be in the appended Form J.

Notice for sale of Retail shops.

By Order,

L. ANANTASAMI RAO,
for Secy. to Govt., Gen. & Rev. Depts.

Note.—For Appendices A to J-1, see pages 116 to 131 of *Mysore Gazette*, Part III, dated 23rd January 1902.